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THE Feed SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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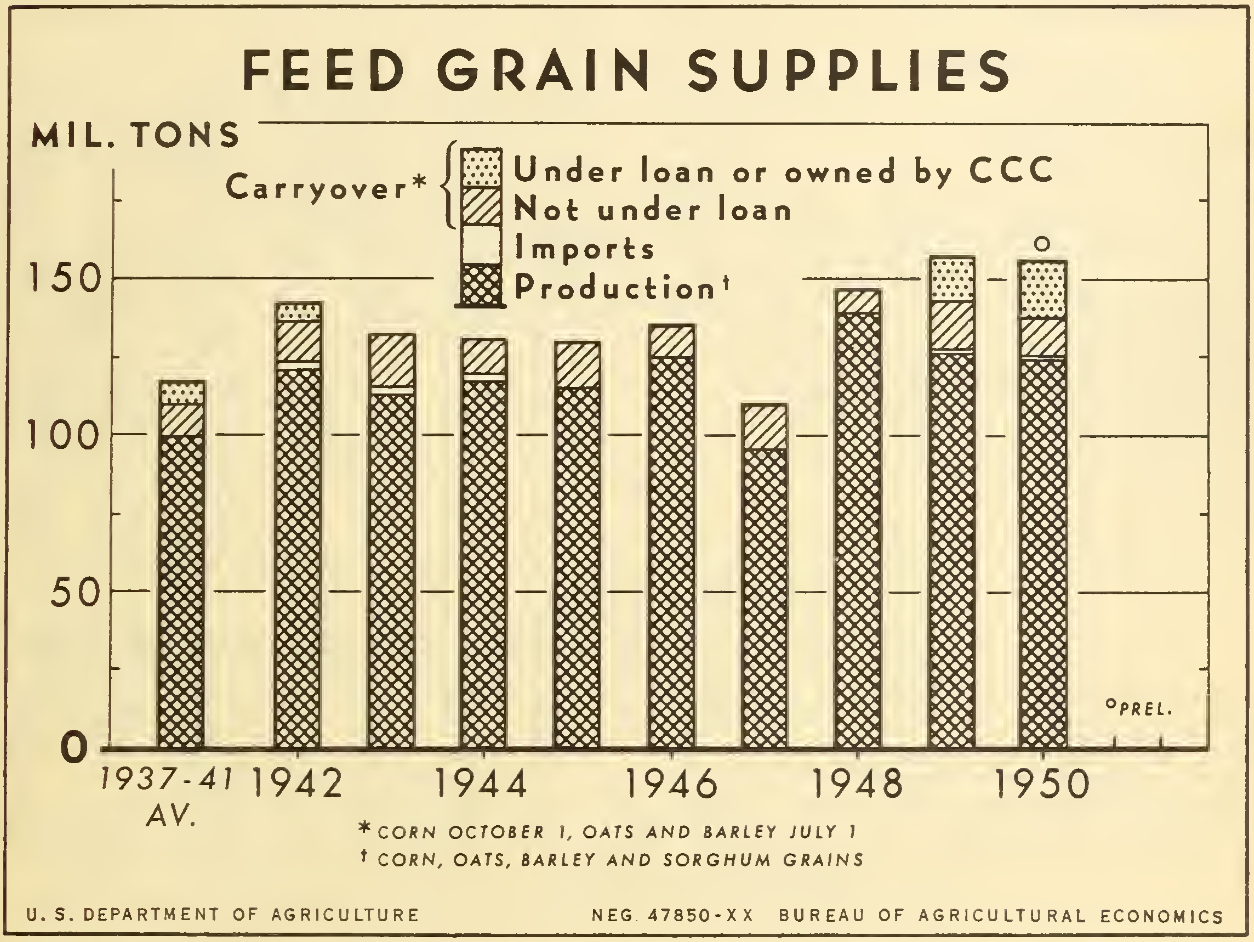

FEED GRAIN SUPPLIES

* CORN OCTOBER 1, OATS AND BARLEY JULY 1
† CORN, OATS, BARLEY AND SORGHUM GRAINS

U. S. DEPARTMENT OF AGRICULTURE NEG. 47850-XX BUREAU OF AGRICULTURAL ECONOMICS

The near record 1950-51 supply of feed grains will permit continued liberal feeding of livestock during the coming year. Total utilization probably will be greater than during the past year as a result of stronger domestic demand and some further increase in livestock numbers. This is expected to cause some reduction in the big carry-over stocks, but carry-over in 1951 will again be well above average.

Table 1.- Statistical Summary

PRICES

Item	Unit	1948 Aug.	1948 Sept.	1949 Aug.	1949 Sept.	1950 July	1950 Aug.	1950 Sept.
		Cents	Cents	Cents	Cents	Cents	Cents	Cents
Corn, No. 3 Yellow, Chicago	Bushel	195.1	180.8	130.7	131.2	155.6	153.4	154.1
Price received by farmers, U. S.	do.	191.0	178.0	118.0	116.0	144.0	144.0	144.0
Oats, No. 3 White, Chicago	do.	71.6	74.6	63.7	67.8	89.0	78.1	81.6
No. 3 White, Minneapolis	do.	69.7	70.2	62.3	65.7	82.3	73.3	75.9
Price received by farmers, U. S.	do.	68.8	68.7	58.2	61.3	76.3	70.6	72.8
Barley, No. 3, Minneapolis	do.	136.6	127.0	129.9	145.5	164.9	148.4	145.1
Price received by farmers, U. S.	do.	114.0	108.0	96.8	105.0	115.0	112.0	114.0
Grain sorghums, price received by farmers, U. S.	100 pounds	207.0	216.0	187.0	180.0	190.0	188.0	177.0
Wheat, No. 2 Hard Winter, Kansas City	Bushel	215.0	220.4	206.0	215.2	222.8	220.9	221.0
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Hay, No. 1 Alfalfa, baled, Kansas City	Ton	25.00	25.00	23.15	25.60	24.00	24.00	24.00
Price received by farmers, baled, U. S.	do.	22.40	22.70	20.80	21.00	19.90	20.20	20.30
Byproduct Feeds (bagged)								
Standard bran, Minneapolis	do.	42.50	41.75	39.50	40.75	52.50	44.60	45.25
Buffalo	do.	47.80	47.25	46.40	47.60	58.60	51.90	49.60
Price paid by farmers, U. S.	100 pounds	3.06	2.95	2.93	2.84	3.32	3.19	3.06
Standard middlings, Minneapolis	Ton	43.80	49.50	42.50	45.40	61.25	47.30	47.40
Buffalo	do.	50.20	55.60	49.40	52.60	66.90	54.50	54.90
Price paid by farmers, U. S.	100 pounds	3.36	3.28	3.17	3.06	3.66	3.48	3.28
Cottonseed meal, 41 pct. protein, Memphis	Ton	67.10	62.80	69.90	57.75	74.00	74.70	71.90
Linseed meal, 36 pct. protein, Minneapolis 1/	do.	66.80	64.50	62.90	62.40	69.25	67.80	62.25
28 pct. protein, San Francisco	do.	65.90	62.60	54.60	53.90	75.50	75.30	73.25
Soybean meal, 44 pct. protein, Chicago 2/	do.	84.40	81.50	100.30	83.15	96.40	78.20	65.85
Price paid by farmers, U. S.	100 pounds	5.08	5.14	5.15	5.16	5.16	5.01	4.44
Peanut meal, 45 pct. protein, S. E. milling points	Ton	67.70	66.30	81.10	70.00	82.05	77.20	69.95
White hominy feed, Chicago	do.	64.70	62.30	45.00	45.80	56.95	56.50	55.65
Gluten feed, 23 pct. protein, Chicago	do.	57.05	55.25	54.00	51.75	53.00	51.10	48.50
Tankage digester, 60 pct. protein, Chicago	do.	100.95	102.40	147.80	130.10	120.75	127.50	126.05
Meat scraps, 50 pct. protein, Chicago	do.	94.75	97.40	147.90	114.75	122.75	126.75	124.20
Fish meal, 67 pct. protein, San Francisco	do.	136.00	136.50	214.80	170.00	151.60	142.05	141.55
Alfalfa meal, No. 1 fine, Kansas City	do.	36.60	37.10	34.15	38.75	39.25	42.60	41.50
Mixed dairy feed, 16 pct. protein, price paid by farmers, U. S.	100 pounds	4.00	3.86	3.47	3.43	3.64	3.69	3.64
Laying mash, price paid by farmers, U. S.	do.	4.94	4.78	4.58	4.53	4.67	4.74	4.60
Scratch feed, price paid by farmers, U. S.	do.	4.72	4.57	3.88	3.80	4.04	4.06	4.03

INDEX NUMBERS OF PRICES

Item	Unit	1948 Aug.	1948 Sept.	1949 Aug.	1949 Sept.	1950 July	1950 Aug.	1950 Sept.
		Percent	Percent	Percent	Percent	Percent	Percent	Percent
Feed grains, price received by farmers, U. S.	1910-14=100	258	243	172	173	211	208	209
Ten principal high-protein feeds, terminal markets	1935-39=100	236	232	273	236	260	249	235
Four oilseed meals	do.	235	229	253	219	261	246	229
Tankage, meat scraps, and fish meal	do.	245	248	376	308	289	289	286
Gluten feed, brewers' dried grains, and distillers' dried grains	do.	234	228	224	217	216	207	195
Feed, prices paid by farmers, U. S.	1910-14=100	237	229	205	202	216	217	213

LIVESTOCK-FEED PRICE RATIOS 3/

Item (September average)	Unit	1948 Aug.	1948 Sept.	1949 Aug.	1949 Sept.	1950 July	1950 Aug.	1950 Sept.
Hog-corn, Chicago 4/ 1929-48 = 12.3	Bushel	15.2	16.0	16.4	15.8	13.3	15.6	14.2
Hog-corn, U. S. farm price 1929-48 = 12.0	do.	14.1	15.4	16.4	17.1	14.9	15.0	14.7
Beef-steer-corn, Chicago 5/ 1929-48 = 15.0	do.	18.1	18.8	20.1	21.4	19.7	19.6	19.8
Butterfat-feed, U. S. 1929-48 = 24.4	do.	25.6	25.4	23.0	23.5	20.6	21.1	21.4
Milk-feed, U. S. 1929-48 = 1.30	do.	1.36	1.44	1.26	1.33	1.10	1.16	1.23
Egg-feed, U. S. 1939-48 = 13.3	do.	12.1	13.1	14.1	15.2	9.2	10.2	11.0

Prices compiled from Chicago Journal of Commerce, Minneapolis Daily Market Record, Kansas City Grain Market Review, reports of the Grain Branch, Production and Marketing Administration, and the Bureau of Agricultural Economics.

1/ 36 percent July, August, and September 1950, other months shown 34 percent.

2/ 44 percent July, August, and September 1950, other months shown 41 percent.

3/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef-steer, one pound of butterfat or milk, or one dozen eggs.

4/ Revised series, based on packer and shipper purchases of barrows and gilts, and No. 3 Yellow corn. The ratios for the years 1929-37 in the average are based on all purchases of hogs, and No. 3 Yellow corn.

5/ Based on prices of beef-steers sold out of first hands for slaughter, and No. 3 Yellow corn.

THE FEED SITUATION

Approved by the Outlook and Situation Board, October 19, 1950

SUMMARY

Higher feed prices, heavier utilization of feeds, and some reduction in the large reserve stocks of feed grains are in prospect for the 1950-51 feeding season.

Supplies of both feed concentrates and hay are again ample for requirements of livestock in the coming year. Total supplies of feed concentrates, including grains and byproduct feeds, are nearly equal to the record supply in 1949-50, and a third larger than just before the war. Feed grain supplies, including the record carry-over from last year, are only slightly below the record 1949-50 supply, and will be fully adequate for domestic and export requirements in 1950-51.

A strong demand is in prospect for feeds in 1950-51, however, and utilization is expected to be the largest for any year since the war. Unlike the last 2 years, production this year probably will fall short of total requirements. Total utilization may exceed the 1950 production by 5 or 6 million tons. This would mean a comparable reduction in the carry-over stocks in 1951 from the record level of about 31 million tons in 1950. The carry-over into 1951-52, however, probably will be much larger than average, and with an average growing season next year would contribute to above average feed supplies in 1951-52.

The corn supply of 4.0 billion bushels is about 4 percent below the record supply in 1949, but a billion bushels larger than in the immediate prewar years. While there is more soft and chaffy corn than usual in some areas of the Corn Belt, the bulk of the crop escaped damage from frost. Supplies of other feed grains are larger than last year and well above average.

Supplies of byproduct feeds in 1950-51 probably will be close to the large supplies of around 20 million tons in each of the past 2 years. Protein feed supplies per animal are expected to nearly equal last year's record. These feeds have been in relatively strong demand in recent years, as more have been required to supplement heavy feeding of grains.

Feed prices are expected to average higher in 1950-51 than during the past year, but any material advances would be limited by the large reserve stocks of feed grains. Higher prices are expected in view of prospects for increasing domestic demand stemming from the marked expansion planned in our military preparedness program, which will probably bring higher livestock prices and some increase in livestock production.

The 1950 supports on feed grains are generally higher than in 1949 but smaller quantities are going under price support than in either of the past 2 years. The recently announced national average support price for corn is $1.47 per bushel, 7 cents higher than last year. This year the full 90 percent support is available only in the commercial corn-producing counties,, where acreage allotments were in effect. In the non-commercial area the support rate is 75 percent of the 90 percent support level.

Some seasonal decline in corn prices is expected this fall, but prices probably will hold nearer to the support than in 1949, when they dropped to a low of $1.02 per bushel in November, 38 cents below the 1949 support. They probably will advance, at least seasonally, this winter and spring. Prices of high-protein feeds are generally lower this fall than last, and are much lower in relation to prices of feed grains. Some increase in prices of these feeds is expected in 1951, although they may continue lower in relation to feed grains than in 1949-50.

Farmers will again have ample hay supplies. The total supply is the second largest on record, and will provide more hay per roughage-consuming animal unit than in any previous year. Hay supplies are better distributed over the country this year than in either of the past 2 years. The quality of the 1950 crop, however, is below average in many areas where frequent rains have interfered with harvesting.

OUTLOOK FOR FEED SUPPLIES IN 1950-51

Supplies of both feed concentrates and forages are ample for livestock requirements in the 1950-51 feeding season. Total feed concentrate supplies, including the feed grains and other concentrates, are only slightly below the record supply of 1949-50, both in total and in relation to the number of livestock to be fed. Some further increase in livestock numbers is in prospect and livestock will continue to be fed liberally. This probably will mean heavier utilization of feeds than in any of the years since the war, and a reduction in our large corn stocks. The total carry-over of feed grains at the close of the feeding season, however, will be much larger than average.

Supplies of hay and other forages also will be fully adequate. Weather has been very favorable this year for hay, pastures, and other forages. The hay supply for 1950-51 is the largest on record per roughage-consuming animal unit, and is well distributed over the country. The quality of 1950 hay, however, is below average in many regions of the mid-West, where frequent rains have interfered with the harvesting of the crop.

Feed Grain Supplies Near Record - Some Reduction in Carry-over in Prospect

The total supply of the 4 principal feed grains for 1950-51, estimated at about 155 million tons, is only slightly smaller than the record supply of last year and one-third above the 1937-41 average. Production of feed grains in 1950 totaled 123 million tons, slightly smaller than last year but larger

Table 2. - Supply and utilization of feed concentrates, numbers of animal units, and feed per unit, United States, year beginning October, average 1937-41, annual 1942-50

Item	Average 1937-41	1942	1943	1944	1945	1946	1947	1948	1949 1/	1950 2/
	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons
Supply										
Stocks beginning of year 3/	16.9	18.5	17.8	11.6	14.9	10.9	13.8	7.7	30.3	31.0
Production of feed grains:										
Corn	72.1	85.9	83.0	86.5	80.7	91.0	66.8	103.1	94.6	87.3
Oats	18.1	21.5	18.2	18.4	24.6	24.0	19.2	23.9	21.2	23.7
Barley	6.9	10.3	7.8	6.6	6.4	6.3	6.7	7.6	5.7	7.2
Sorghum grains	2.2	3.1	3.1	5.2	2.7	3.0	2.7	3.7	4.3	5.2
Total	99.3	120.8	112.1	116.7	114.4	124.3	95.4	138.3	125.8	123.4
Other grains fed 4/	4.8	15.0	15.8	10.6	8.2	4.5	6.0	4.8	5.8	6.0
Byproduct feeds fed	15.4	18.5	18.8	19.0	17.7	19.5	19.0	20.0	20.5	20.2
Total supply	136.4	172.8	164.5	157.9	155.2	159.2	134.2	170.8	182.4	180.6
Utilization, Oct.-Sept.										
Concentrates fed: 5/										
Corn	62.2	81.5	80.3	76.1	77.3	75.6	64.3	73.3	82.0	82.5
Oats	16.1	19.6	17.2	17.0	23.9	19.6	17.8	20.7	19.6	20.4
Barley and sorghum grains	7.0	10.0	8.8	8.1	6.4	5.1	5.1	5.8	5.8	7.0
Wheat and rye	4.6	12.7	13.7	8.7	8.0	4.4	5.9	4.2	5.0	5.0
Oilseed cake and meal	3.9	6.1	6.3	6.2	5.8	5.8	6.2	7.3	7.8	7.8
Animal protein feeds	2.9	2.9	2.8	2.6	2.4	2.4	2.4	2.4	2.4	2.4
Other byproduct feeds	8.6	9.5	9.7	10.2	9.5	11.3	10.4	10.3	10.3	10.0
Total concentrates fed	105.3	142.3	138.8	128.9	133.3	124.2	112.1	124.0	132.9	135.1
Feed grains for seed, human food, industry, and export	12.1	13.3	12.8	15.2	13.3	19.3	13.6	17.7	17.2	19.0
Total utilization	117.4	155.6	151.6	144.1	146.6	143.5	125.7	141.7	150.1	154.1
Utilization adjusted to crop year basis	116.5	155.0	152.9	143.0	144.3	145.4	126.5	140.5	151.4	155.6
Stocks at end of crop year 3/	19.9	17.8	11.6	14.9	10.9	13.8	7.7	30.3	31.0	25.0
Supply and utilization per animal unit										
Total supply (Million tons)	136.4	172.8	164.5	157.9	155.2	159.2	134.2	170.8	182.4	180.6
Concentrates fed (Million tons)	105.3	142.3	138.8	128.9	133.3	124.2	112.1	124.0	132.9	135.1
Number of grain-consuming animal units fed annually (Millions) 6/	153.1	192.4	193.2	173.7	167.8	161.4	155.7	162.7	169.0	170.0
Supply per animal unit (ton)	.89	.90	.85	.91	.92	.99	.86	1.05	1.08	1.06
Concentrates fed per animal unit (ton)	.69	.74	.72	.74	.79	.77	.72	.76	.79	.79
Livestock production, Oct.-Sept., in terms of production units (millions) 7/	153.0	193.5	191.3	176.4	174.8	169.6	165.0	171.4	177.0	179.0
Concentrates fed per livestock production unit (ton)	.69	.74	.73	.73	.76	.73	.68	.72	.75	.75

1/ Preliminary.

2/ Preliminary estimates, based on indications in October 1950. Tentative estimates of utilization and carryover.

3/ Stocks of corn in all positions on October 1 and oats and barley July 1.

4/ Imported grain and domestic wheat and rye fed.

5/ Total quantities fed in the United States, including domestically produced and imported grains and byproduct feeds.

6/ Grain-consuming animal units fed during the October-September feeding season. For current years, weighted as follows: Number on January 1 of milk cows and heifers 2 years old and over, 1.00; heifers and heifer calves, 0.40; beef cows, 0.16; cattle on feed, 2.1; all other cattle, 0.14; stock sheep, 0.022; sheep and lambs on feed, 0.12; horses and mules 2 years old and over, 1.3; colts, 0.15; hens and pullets, 0.055; number of hogs fed during the year, 0.70; chickens raised, 0.018; commercial broilers raised, 0.0114; and turkeys raised, 0.076.

7/ A production unit is based on the average annual milk production of one cow. One unit is equal to 4,400 pounds of milk, 288 pounds of hogs, live weight, 256 pounds of chickens raised, live weight, 311 pounds broilers raised, live weight, 246 pounds turkeys raised, live weight, 183 dozen eggs. In addition it is equal to the following head of livestock on farms January 1; 0.45 cattle on feed, 2.60 heifers and heifer calves kept for milk on farms, 6.10 cattle other than cattle on feed, milk cows and heifers, and heifer calves kept for milk, 8.0 sheep and lambs on feed, 37.5 stock sheep, 0.75 horses and mules 2 years old and over, 6.5 colts.

than in any year prior to 1946. Carry-over stocks of corn, oats, and barley into 1950-51 is estimated at about 31 million tons. 1/ Although this is only a fourth of a year's requirements, it is nearly double the average carry-over in the immediate prewar period. It is estimated that close to 17 million tons of this carry-over were held under loan or owned by CCC. The carry-over of sorghum grains not included above probably totaled around 60 million bushels, 1/ by far the largest on record, most of which was owned by CCC.

Table 3.- Feed grains: Total supply, United States, average 1937-41, annual 1942-50

Year beginning	Carry-over 1/ Under price support 2/	Carry-over 1/ Other stocks	Carry-over 1/ Total	Imports	Production 3/	Total supply
	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons	Mil. tons
Average 1937-41	6.6	10.3	16.9	.1	99.3	116.3
1942	5.5	13.0	18.5	2.3	120.8	141.6
1943	.4	17.4	17.8	2.1	112.1	132.0
1944	.2	11.4	11.6	2.0	116.7	130.3
1945	.3	14.6	14.9	.2	114.4	129.5
1946	*	10.9	10.9	.1	124.3	135.3
1947	.3	13.5	13.8	.1	95.4	109.3
1948	*	7.7	7.7	.6	138.3	146.6
1949	14.4	15.9	30.3	.8	125.8	156.9
1950 4/	5/17.0	5/14.0	5/31.0	1.0	123.4	155:4

1/ Carry-over of corn October 1 and oats and barley July 1.
2/ Under loan or owned by CCC.
3/ Production of corn for all purposes, oats, barley, and sorghum grains.
4/ Preliminary, based on indications in early October.
5/ Subject to change as additional data become available. *Less than 500 tons.

Heavier disappearance of feed grains is in prospect for 1950-51. Requirements for livestock feeding, industrial and food uses, and exports may all increase from the 1949-50 level. In the 1949-50 feeding season (October-September) about 121 million tons of feed grains were consumed in this country and a little over 4 million tons were exported. The 1950 production of feed grains is now estimated at about 123 million tons, slightly below the total utilization in 1949-50. Some further increase in utilization in 1950-51 would mean some reduction in the big carry-over stocks on hand at the beginning of the year. It now appears likely that carry-over will be reduced around 6 million tons, leaving a carry-over into 1951-52 of about 25 million tons. This would be smaller than the large stocks in the 2 previous years but larger than in any earlier year. Since feed grain prices are advancing, and this year's production may be a little below total requirements, farmers are expected to place less feed grains under price support this year than last. Some reduction in the large stocks held under price support is in prospect.

1/ Preliminary estimate, subject to change when the estimates of total corn and sorghum grain stocks are released October 24.

Corn-Near Record Supply; Quality of 1950 Crop Below Average

The 1950-51 corn supply, estimated in early October at 4.0 million bushels, is about 200 million bushels below the record supply of last year, but a billion bushels above the prewar average. While the 1950 crop of 3,118 million bushels is much larger than prewar production, it is 260 million bushels smaller than the big crop of 1949 and 564 million bushels below the 1948 record production. Furthermore, corn was late over much of the Corn Belt, and in some areas there is more soft and chaffy corn than in the past 2 years. The bulk of the crop, however, escaped frost damage. The carry-over of corn on October 1 reached a record high of around 900 million bushels 1/. It is estimated that nearly two-thirds of this was under loan or in Government ownership.

The total disappearance of corn in 1950-51, including both domestic use and exports, probably will exceed the record disappearance of about 3.3 billion bushels in 1949-50. The quantity of corn fed to livestock probably will again exceed 2.9 billion bushels. This, however, will depend to some extent on the quantity of other feed grains fed, which are in ample supply this year, and on the volume of low quality Canadian wheat imported for feeding. Factors which have a bearing on the prospective heavy feeding of corn in the coming year are as follows: (1) some further increase in hog production; (2) low quality corn in some areas of the Corn Belt; (3) increased demand and higher prices of livestock and livestock products.

Food and industrial use of corn in this country in 1950-51 is expected to be greater than last year. Much of this increase will come as a result of increased requirements for industrial and military use stemming from our present military preparedness program. In recent months utilization of corn for the production of alcohol and distilled spirits has increased sharply, reflecting the increased demand for industrial alcohol. During the 1950-51 season it is expected to be considerably larger than in any of the last 3 years and may approach the heavy utilization of 1946-47. The use of corn for wet-processing also has been increasing since the middle of 1950, and probably will be moderately higher in 1950-51 than during the past year. The total use of corn for food and industrial uses in this country may be around 10 percent larger than the 258 million bushels used in 1949-50.

Exports of corn in 1950-51 will depend to a considerable extent on European demand and the availability of feed grains from Canada. Present indications are that corn exports may be moderately larger than in 1949-50, when about 110 million bushels were exported as grain. Since the 1950 Argentine corn crop was unusually small, the United States will be the principal source of corn to European countries, at least until the 1951 Argentine crop is harvested next spring.

Assuming that total disappearance of corn in 1950-51 will exceed the 3.3 billion bushels used in 1949-50, the carry-over of corn next October 1 will be reduced about 200 to 300 million bushels from the record carry-over of 900 million bushels 1/ on October 1 this year.

1/ See footnote 4, table 4.

Table 4 .- Corn: Supply and distribution, year beginning October, average 1937-41, and annual 1945-50

Item	Average 1937-41	1945	1946	1947	1948	1949 1/	1950 2/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Supply							
Production	2,576.4	2,880.9	3,249.9	2,384.0	3,681.8	3,377.8	3,118
Carry-over 3/	468.6	315.3	172.9	285.6	125.4	825.3	4/ 900
Imports 5/	1.0	.6	.6	.7	.7	.7	---
Total supply	3,046.0	3,196.8	3,423.4	2,670.3	3,807.9	4,203.8	4/4,018
Distribution							
Wet-process products 6/	91.6	111.7	143.5	110.2	117.0	128	135
Dry-process products:							
Breakfast foods 7/	8.1	11.0	10.6	10.5	10.0	10	11
Farm household uses	26.2	18.6	17.2	17.1	17.2	17	17
Corn meal, grits, etc. 8/	53.6	61.0	72.0	63.0	68.0	68	70
Alcohol and distilled spirits 9/	27.3	27.5	55.3	30.4	30.2	35	50
Seed 10/	13.9	12.5	12.0	12.1	11.8	11	12
Exports 5/	50.3	19.9	126.7	6.8	111.1	110	125
Total non-feed uses	271.0	262.2	437.3	250.1	365.3	379	420
Livestock feeds 11/ .	2,221.4	2,761.7	2,700.5	2,294.8	2,617.3	2,925	2,948
Total utilization .	2,492.4	3,023.9	3,137.8	2,544.9	2,982.6	3,304	3,368
Carry-over at end of year, all positions 3/	553.6	172.9	285.6	125.4	825.3	4/ 900	650

1/ Preliminary. Subject to change as additional data become available.
2/ Based on indications in October. Tentative estimates of carry-over and utilizatio
3/ Farm, terminal market, and Government-owned stocks, 1937-41 average. Stocks in all positions, including interior mill, elevator, and warehouse stocks, 1945 to date.
4/ Includes a rough allowance for corn in interior mills, elevators, and warehouses, and owned by the Government at country points, data for which were not available at the time of the release of this report.
5/ Compiled from reports of the Bureau of Foreign and Domestic Commerce and Bureau of the Census. Imports include grain equivalent of corn meal and flour; exports are grain only.
6/ Starch, sirup, sugar, etc. Compiled from data of Price, Waterhouse, and Company, New York.
7/ Estimated quantities used in making prepared breakfast foods.
8/ Estimated quantities used in producing corn meal, flour, hominy, and grits for human food and for brewers' use. Does not include livestock feeds produced in the dry-milling industry.
9/ Compiled from reports of the Bureau of Internal Revenue. Does not include corn products used in the production of fermented malt liquors.
10/ Estimated on basis of acreage planted to the following corn crop.
11/ Residual, includes small quantities for other uses and waste.

Less Corn Expected to be Placed Under Price Support in 1950-51

The national average price support on 1950 corn is $1.47 per bushel, 7 cents higher than in 1949 and 3 cents higher than in 1948. But the quantity of corn placed under loan and purchase agreement in the 1950-51 season probably will be somewhat smaller than the large quantity going under price support during the past 2 years. In 1948, 556 million bushels, 15 percent of the crop, and in 1949, 386 million bushels, 11 percent of the crop, were placed under loan and purchase agreement. Corn prices this year probably will average nearer the loan rate in the commercial area than in either of the past 2 years, and production probably will fall short of total requirements. Furthermore, not all corn produced will be eligible for loans this year, as has been the case in the last 2 years, since only farmers in the commercial corn-producing counties who cooperated with the program will be eligible for the full 90 percent support. The lower quality of the 1950 crop in some areas also will be a factor reducing the total quantity of corn eligible for price support.

In 1951 there probably will be some reduction in the large quantity of corn held under loan and Government ownership from the high level reached in 1950. In June this year over 750 million bushels of corn were under loan or owned by CCC. Redemptions by farmers and CCC sales probably have reduced this quantity to below 600 million bushels by October 1.

Table 5.- Corn: Loan rates, average prices, and quantity placed under the price support programs, United States, 1938-50

Year beginning October	Corn price supports: National average 1/	Corn price supports: Percentage of parity	Corn price supports: Average loan rate per bushel sealed 2/	Average price, North Central Région 3/	Difference 4/	Quantity placed under price support	Under loan or owned by CCC at close of year
	Cents	Percent	Cents	Cents	Cents	Mil. bu.	Mil. bu.
1938	57	70	57	40.4	-16.6	230	258
1939	57	70	57	49.2	- 7.8	302	471
1940	61	75	61	60.3	- .7	103	403
1941	75	85	73	74.8	1.8	111	197
1942	83	85	77	92.8	15.8	56	8
1943	90	85	84	105.3	21.3	8	5/ 6
1944	98	90	89	98.6	9.6	21	5/ 9
1945	101	90	92	106.9	14.9	3	*
1946	115	90	108	148.1	40.1	26	5/ 9
1947	137	90	131	219.7	88.7	1	*
1948	144	90	138	116.8	-21.2	6/556	470
1949	140	90	135	113.7	-21.3	6/386	
1950	147	90					

1/ Average price support for the United States. 2/ Average loan value of corn sealed during each marketing year. 3/ Average price for the months loans were available. 4/ Average price in North Central States above or below the average loan value. 5/ Loans were in the process of being repaid. Corn under seal on September 30 was redeemed by farmers early in the next marketing year. 6/ Total quantity placed under Government loan or purchase agreement.

* Less than 500,000 bushels.

Withdrawals of corn from price support during the coming year would come first from that part of the stocks that would be available at a price near or below the 1950 loan rate. This would include the 1949 corn resealed on farms and sales of Government-owned corn for export. The actual quantity of 1949 corn resealed is not yet known. But these two outlets probably would permit the withdrawal of around one-fourth of the total stocks of corn under price support at near or below the 1950 support level. The remainder of the corn held under price support would be available at prices somewhat above the 1950 support level.

Oats - Third Largest Supply on Record; but Less Going Under Price Support

The total supply of oats for 1950-51 is estimated at 1,722 million bushels, the third largest supply on record and nearly one-third above the 1937-41 average. The 1950 oats crop is within 4 percent of the previous record crop of 1945 and 161 million bushels larger than production last year. But with the strong demand for feed this summer the price of oats has been generally above the support level, and much less oats is going under loan and purchase agreement than was the case in the summer of 1949. The total carry-over of 218 million bushels of oats on July 1 was smaller than in most recent years, but substantially larger than the average carry-over just before the war. During the past two years imports of oats from Canada have totaled about 20 million bushels annually and probably will continue comparatively large during the coming year.

Table 6.- Oats: Supply and distribution, year beginning July, average 1937-41, annual 1945-50

Item	Average 1937-41	1945	1946	1947	1948	1949 1/	1950 2/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Supply							
Production	1,130.6	1,535.7	1,497.9	1,199.4	1,493.3	1,322.9	1,484
Carry-over 3/	173.5	234.4	291.7	276.3	183.7	295.2	218
Imports 4/	4.6	24.1	1.0	1.7	19.3	19.8	20
Total supply	1,308.7	1,794.2	1,790.6	1,477.4	1,696.3	1,637.9	1,722
Distribution							
Breakfast foods 5/	30.4	48.0	44.0	44.0	40.0	37.0	40
Seed 6/	95.1	110.8	100.7	106.0	106.0	112.0	110
Exports 4/	3.3	18.3	20.3	11.3	18.2	12.4	10
Total food, seed and exports	128.8	177.1	165.0	161.3	164.3	161.4	160
Livestock feed 7/	985.7	1,325.4	1,349.3	1,132.4	1,236.9	1,258.2	1,277
Total utilization	1,114.5	1,502.5	1,514.3	1,293.7	1,401.1	1,419.6	1,437
Carry-over at end of year 3/	194.2	291.7	276.3	183.7	295.2	218.3	285

1/ Preliminary. 2/ Based on conditions in October. Tentative estimates of utilization and carry-over at the end of the year. 3/ Farm and terminal market stocks, 1937-41 average. Stocks in all positions, including interior mill, elevator, and warehouse stocks, 1945 to date. 4/ Compiled from reports of the Bureau of Foreign and Domestic Commerce and Bureau of the Census. Imports include grain equivalent of oatmeal; exports are grain only. 5/ Estimated quantities used in production of oatmeal and other cereal preparations. 6/ Based on acreage seeded to the following oats crop. 7/ Residual; includes small quantities for other uses and waste.

The utilization of oats in 1950-51 is expected to be a little larger than the heavy utilization in 1949-50. More oats probably will be fed this year than last. Other domestic uses and exports, however, probably will not be greatly different than in 1949-50. The total carry-over of oats from this year's big supply probably will be somewhat larger than the carry-over in 1950, although it may be below the record quantity carried over in 1949.

Sales of oats by farmers have been considerably smaller during the summer months than in the same period of 1949, when marketings were unusually heavy. Total sales for the entire marketing year probably will be at least as large as the 325 million bushels sold from the 1949 crop. With less oats going under price support, a larger volume probably will be available to commercial users, principally for feeding, than in 1949-50.

Barley Supply Up 12 Percent Over 1949-50; Largest Since 1943

The total supply of barley for 1950-51 was estimated in early October at about 400 million bushels, which would be the largest supply since 1943. Production this year is 26 percent larger than in 1949, reflecting an 18 percent increase in acreage from the low level of 1949, and a favorable growing season for barley. The average yield per acre this year was about 10 percent above the 1939-48 average. The carry-over of barley at the beginning of the marketing year was a little smaller than in 1949, but was well above average.

Table 7. - Barley: Supply and distribution, year beginning July, average 1937-41, annual 1945-50

Item	Average 1937-41	1945	1946	1947	1948	1949 1/	1950 2/
	Mil. bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.	Mil.bu.
Supply							
Production	286.1	266.8	262.3	281.2	315.9	238.1	300
Carry-over July 1 3/	43.4	95.1	58.6	55.6	51.9	101.0	81
Imports 4/	3.3	5.8	4.3	1.1	12.1	18.2	20
Total supply	332.8	367.7	325.2	337.9	379.9	357.3	401
Distribution							
Used in producing malt:							
For alcohol and alcoholic beverages 5/	60.5	81.8	87.7	92.9	90.1	86.7	93
For other purposes 6/	3.6	6.8	7.0	6.5	6.0	6.0	7
Seed 7/	26.0	18.7	19.6	21.4	18.2	21.4	23
Exports 4/	7.9	9.3	16.4	24.1	27.6	21.5	25
Total food, industry, seed, and exports	98.0	116.6	130.7	144.9	141.9	135.6	148
Livestock 8/	181.8	192.5	138.9	141.1	137.0	140.9	153
Total utilization	279.8	309.1	269.6	286.0	278.9	276.5	301
Carry-over at end of year 3/	53.0	58.6	55.6	51.9	101.0	80.8	100

1/ Preliminary. 2/ Based on conditions in early October; tentative estimates of utilization and carry-over at the end of the year. 3/ Farm and terminal market stocks, 1937-41 average. Stocks in all positions, including interior mill, elevator, and warehouse stocks, 1944 to date. 4/ Compiled from reports of the Bureau of the Census. Both imports and exports include grain equivalent of malt. 5/ Compiled from reports of the Bureau of Internal Revenue. Includes small quantities of barley grain; does not include exported malt. 6/ Estimated on basis of total production, imports, and exports, and used in alcohol and alcoholic beverages. 7/ Based on acreage seeded to the following barley crop. 8/ Residual, includes small quantities for other uses and waste.

Imports of barley in 1949-50 totaled about 18 million bushels and probably will continue large in the 1950-51 season. This gives a total prospective barley supply for 1950-51 of 401 million bushels, 12 percent larger than the supply last year, and exceeded only in the war years 1941-43.

The quantity of barley fed to livestock is expected to be larger this year than during either of the past two years, although the increase is not expected to be large in view of abundant supplies of other feed grains. The quantity of barley used in producing malt and malt products may be around 10 percent larger than in 1949-50, in view of increased alcohol requirements and increasing consumer demand for these products. Exports of barley and barley malt in 1950-51 are expected to continue somewhere near the level of the past 3 years. Allowing for some increase in domestic use, the carry-over of barley at the close of the 1950-51 marketing season probably will be larger than in 1950 and may about equal the big stocks on July 1, 1949.

The quantity of barley going under price support so far this season is smaller than during the past two years, and it probably will total smaller for the entire marketing year. A total of about 49 million bushels of barley was placed under loan and purchase agreement in 1948 and about 33 mil- bushels in 1949. During July and August of this year farmers placed 8.9 million bushels under price support compared with 13.5 million bushels in the same period of last year.

Record Supply of Sorghum Grains

Farmers produced a near record crop of sorghum grains in 1950, totaling 184 million bushels, more than double the production in most prewar years. In addition to this big crop, around 60 million bushels 1/ of old crop sorghum grains remained on hand October 1, giving a total supply of about 245 million bushels, the largest on record and 75 million bushels larger than in 1949. Of the October 1 carry-over 48 million bushels were owned by CCC.

This year's supply is more than adequate for the increasing domestic requirements and exports, and another large carry-over is in prospect in 1951. The quantity of sorghum grains fed to livestock in 1950-51 probably will be somewhat larger than in the 1949-50 feeding season, when about 75 million bushels were fed. The quantity used in producing alcohol and distilled spirits totaled only about 2 or 3 million bushels in each of the past 2 years. It has been increasing since June and will be substantially larger in 1949-50. Exports of sorghum grains are also expected to be substantially larger during October-September 1950-51 than in 1949-50, and may equal or exceed the record export of 39 million bushels in 1948-49. Many countries will prefer sorghum grains to other grains, since the price of grain sorghums is relatively low.

In recent years there has been a substantial increase in sorghum grains production in the commercial producing areas of Texas and Oklahoma, where most of the crop is sold for cash. Sorghum grain prices were below the support level throughout the 1949-50 marketing year and about 82 million bushels were placed under loan and purchase agreement, 54 percent of the 1949 production. Most of this grain was delivered to the CCC. In view of the large production in this area in 1950, the total quantity going under price support is again expected to be large, even with the lower price support this year.

1/ Preliminary estimate, subject to change when the estimate of total stocks of sorghum grains is released October 24.

Limited Feeding of Domestic Wheat Expected; Large Volume of Low Quality Wheat in Canada

Feeding of domestic wheat in the 1950-51 feeding season is expected to continue somewhere near the 1949-50 level. In 1949-50 about 150 million bushels were fed, which was close to the level of feeding in the prewar years, but much smaller than the heavy feeding during the war. In the past two years supplies of feed grains have been large and wheat prices have been high relative to feed grain prices. The quantity of wheat purchased for feed has been comparatively small. This situation is expected to continue during 1950-51 and wheat feeding probably will be confined largely to quantities fed on farms where grown and low quality wheat not suitable for milling.

Feeding of domestic wheat, however, may be supplemented during the coming year by low quality wheat imported from Canada. A considerable quantity of 1950 Canadian wheat was damaged by frost this year and will not be of milling quality. It is estimated that, of the total Canadian crop of 490 million bushels, about one-third will grade No. 5 or below, much of which would be feed wheat. The quantity shipped to the United States will depend, to a considerable extent, on the demand for feed in Canada, in this country, and in other importing countries during the next year or so. Because of current transporation difficultuies, low quality wheat may not begin moving in volume until next spring and summer. Hence, the prospects for our 1951 feed crops and our feed demands at that time would influence the volume imported. Most of the imports to this country would go to deficit feeding areas of the North Atlantic region.

Another Large Supply of Byproduct Feeds for 1950-51

Another large supply of byproduct feeds is in prospect for the 1950-51 season. Total supplies probably will be about as large as in the past two years and one-third above the prewar level. Supplies of high-protein feeds have been increasing in recent years, and in 1950-51 they probably will be equal to the record supply of last year. Larger supplies of these are required to supplement the heavy feeding of grains, and demand for these feeds has been strong during the past 2 years.

The supply of oilseed cakes and meals available for feeding in 1950-51 is expected to nearly equal the record of 7.8 million tons last year. The record soybean crop of about 275 million bushels will give a record production of soybean cake and meal, probably around 5.4 million tons. The quantity of soybean cake and meal available for livestock feeding is expected to be around 700,000 tons larger than the 4.5 million tons in 1949-50. Cottonseed cake and meal production, on the other hand, may be about one-third smaller as a result of the marked reduction in the 1950 cotton crop. Linseed cake and meal production also may be down somewhat, in view of the smaller 1950 flaxseed crop and the large stocks of linseed oil on hand. The smaller peanut crop this year is expected to result in a smaller output of peanut cake and meal, while about the same supply of copra cake and meal is in prospect. Exports of oilseed cake and meal totaled about 225 million tons in 1949-50. They may be about as large in 1950-51, but a larger part of the total will be soybean meal. During 1949-50 nearly 200,000 tons were imported, principally cottonseed and copra cakes and meals. Imports of these feeds are expected to continue large in 1950-51.

Table 8 .- Byproduct feeds: Estimated use for feed, year beginning October, average 1937-41, annual 1945-50 1/

Item	Average 1937-41	1945	1946	1947	1948	1949 2/	1950 3/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
PROTEIN FEEDS							
Oilseed cake and meal							
Soybean cake and meal ..	1,258	3,655	3,745	3,383	4,156	4,500	5,200
Cottonseed cake and meal	1.958	1,433	1,434	1,953	2,271	2,375	1,700
Linseed cake and meal...	481	563	370	606	620	675	625
Peanut cake and meal....	74	90	98	122	96	100	75
Copra cake and meal.....	134	69	190	177	160	185	175
Total	3,905	5,810	5,837	6,241	7,303	7,835	7.775
Animal proteins							
Tankgae and meat scraps	728	745	741	825	854	825	850
Fish meal...............	235	194	191	213	229	250	250
Commercial dried milk products	142	100	115	90	95	100	90
Non-commercial milk products	1,829	1,360	1,300	1,260	1,280	1.260	1,225
Total	2.934	2.399	2,347	2,388	2,458	2.435	2,415
Grain protein feeds							
Gluten feed and meal ...	690	802	1,040	799	848	926	975
Brewers' dried grains ..	119	213	229	228	233	235	235
Distillers' dried grains	203	326	410	353	334	350	450
Total	1,012	1,341	1,679	1,380	1.415	1,511	1,660
OTHER BYPRODUCT FEEDS							
Wheat millfeeds	4,626	4,896	6,098	5,480	4,916	4,750	4,650
Rice millfeeds	124	155	166	178	190	200	175
Dried molasses beet pulp	298	218	300	311	340	340	400
Alfalfa meal	456	1,192	1,040	999	1.122	1,050	1,050
Miscellaneous byproduct feeds 4/	2,000	1,700	2,000	2,000	2,300	2,400	2,100
Total	7.504	8,161	9.604	8.968	8,868	8,740	8,375
Group total all byproduct feeds	15,355	17,711	19,467	18,977	20,044	20,521	20,225

1/ Production plus imports; excluding exports, utilization for food, and other nonfeed uses. Adjusted for changes in stocks for the following feeds for which stock data have been compiled: Cottonseed cake and meal and brewers' and distillers' dried grains, 1935-49, peanut cake and meal, 1938-49, alfalfa meal, 1944-49, soybean, linseed, and copra cakes and meals, February 1949 to date.

2/ Preliminary.

3/ For 1950-51, tentative estimates based on indications in October.

4/ Tentative estimate of hominy feed, oat millfeeds, molasses, and screenings.

Supplies of tankage and meat scraps are expected to be at least as large in 1950-51 as during the past year, and they may be increased if demand for these feeds continues strong. Supplies of fish meal are expected to continue near the high level of 1949-50, when the total supply was around 250,000 tons. Imports of fish meal have increased sharply since the close of the war, when they were unusually small. In each of the past 2 years over 50,000 tons have been imported, nearly one-fourth of the total supply. Tankage imports have ranged from around 25,000 to 40,000 tons in the past 3 years. These are larger than in the late war years, but smaller than in the immediate prewar period.

A moderate increase in gluten feed and meal is expected in 1950-51 as a result of increasing demand for, and larger output of the wet-process corn products. Production of distillers' dried grains has been increasing sharply in recent months, reflecting increased demand for alcohol and other distillery products. It probably will continue large during the coming year. About the same output of brewers' dried grains is in prospect.

Table 9.- High-protein feeds: Quantity fed per animal unit, United States, average 1937-41, annual 1945-50

Item	Unit	Average 1937-41	Year beginning October 1945	1946	1947	1948	1949 1/	1950 2/
Total protein feed (oilmeal equivalent) 3/	1,000 tons	7,802	9,381	9,509	9,804	10,992	11,548	11,567
Animal units fed annually: (excluding work-stock) 4/	Million	136.1	154.1	148.9	144.2	152.3	159.4	161.6
Quantity per animal unit	Pound	115	122	128	136	144	145	143

1/ Preliminary. 2/ Tentative estimates based on indications in October. 3/ Weighted as follows: Soybean, linseed, cottonseed, and peanut cakes and meals, 1.00; tankage, meat scraps, and fish meal, 1.40; milk products, 1.00; gluten feed and meal 0.70; brewers' and distillers' dried grains and copra meal, 0.50. 4/ Grain-consuming livestock fed annually minus horses and mules. For weights see footnote 6, table 2.

The total tonnage of the principal high-protein feeds is now expected to equal the record supply of 11.6 million tons (in terms of oilmeal equivalent) for the 1949-50 season. The supply per animal unit probably will be about as large as the big supplies per animal in the last 2 years.

The production of wheat millfeeds has been declining since the close of the war, as less wheat has been milled into flour for export. Production of wheat millfeeds in 1950-51 probably will be a little smaller than the 4.6 million tons produced in 1949-50. Imports of wheat millfeeds in 1950-51 also are expected to be smaller than the total of around 190,000 tons imported in the 1949-50 feeding season. Nearly 100,000 tons of these large imports came from Argentina, where feed supplies are currently short. The total supply of wheat millfeeds for the 1950-51 season may not be much larger than the prewar average of 4,626,000 tons.

Alfalfa meal production is expected to continue large and probably will be at least as high as in 1949-50. The production of dried molasses beet pulp is expected to be somewhat larger than in 1949-50, in view of the 30 percent increase in the 1950 sugar beet crop. During the 1949-50 fiscal year it is estimated that a record quantity of blackstrap molasses, exceeding 200 million gallons, was used for livestock feed. In view of the marked increase in molasses prices during recent months and the increasing demand for industrial use, it is likely that a smaller volume will be used for feeding in the coming year.

Hay Supplies Largest on Record Per Animal Unit

Farmers will again have ample hay supplies in the coming year. The total hay supply of 123 million tons is the second largest on record and will provide ample hay supplies for livestock in most areas of the country. Hay supplies are about 20 percent above the 1937-41 average, both in total and in relation to the number of roughage-consuming animal units on farms. The total production of hay was estimated in early October at 108 million tons, the second largest crop on record and much larger than the production in most prewar years. Production of alfalfa has been increasing over the past several years. The 1950 crop of about 42 million tons is the largest cut of alfalfa hay on record and makes up over one-third of the total hay production in this country. Hay supplies this year are well distributed over the country, with areas of local shortages much less pronounced than during the past 2 years. The quality of this year's crop, however, will be below average in many regions where excessive rainfall has interfered with harvesting and curing of the crop.

The number of roughage-consuming animal units is expected to be a little larger in 1950-51 than in 1949-50, since larger numbers of cattle on farms are expected to more than offset the downward trend in the numbers of horses and mules. This summer and fall pastures and ranges have furnished good to excellent grazing for livestock over wide areas of the country, and range livestock are generally in good condition.

Table 10.- Hay supply and disappearance, total and per animal unit, United States, average 1937-41, annual 1942-50

Year beginning May	Production	Farm carry-over May 1	Supply (production plus carry-over)	Disappearance	Supply per animal unit	Disappearance per animal unit	Roughage-consuming animal units fed annually 1/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Tons	Tons	Thousands
Average: 1937-41	90,552	12,394	102,946	89,023	1.45	1.26	70,797
1942	107,717	13,664	121,381	105,162	1.55	1.34	78,206
1943	103,128	16,219	119,347	105,514	1.49	1.32	79,944
1944	102,745	13,833	116,578	100,686	1.48	1.28	78,726
1945	108,539	15,892	124,431	103,824	1.65	1.38	75,347
1946	100,739	20,607	121,346	105,372	1.67	1.45	72,822
1947	102,765	15,974	118,739	103,611	1.71	1.49	69,424
1948	99,471	15,128	114,599	99,501	1.68	1.46	68,162
1949	99,305	15,098	114,403	99,528	1.67	1.45	68,678
1950 2/	107,870	14,875	122,745		1.75		70,000

1/ Total roughage-consuming animal units as computed by States. Weights for United States for current years are as follows: Numbers on January 1 of milk cows 2 years old and over, 1.00; heifers and heifer calves, .44; beef cows 2 years old and over, .88; cattle on feed, .33; all other cattle, .44; stock sheep, .20; horses and mules 2 years old and over, .75; horse and mule colts, .48; hogs, .01; chickens, .0012; sheep and lambs on feed, .058; goats clipped, .20; turkeys produced during the year, .0024.

2/ October 1 indications.

OUTLOOK FOR DEMAND AND PRICES OF FEEDS

Further Increase in Livestock Production Expected in 1950-51; Higher Prices in Prospect

A stronger domestic demand for livestock products is in prospect for 1950-51. This probably will result in some further increase in the production of meat and most other livestock products during the coming year and higher prices of livestock and livestock products than in 1949-50. This will mean a strong demand for most types of feeds. The stronger demand for livestock and livestock products stems from the prospects for a further increase in consumer incomes in 1951 and increasing food requirements of our armed forces. The total output of livestock products in terms of production units is expected to be the largest since the wartime peak.

Livestock prices have been increasing during 1950, and are expected to average higher in 1950-51 than during the past feeding season. The index of prices of livestock and livestock products declined from the record high reached about the middle of 1948 to January 1950, when it was at the lowes level since price ceilings were removed in 1946. By September of this year prices had advanced about 20 percent from the low point reached last January. Prices of meat animals are currently substantially higher than a year earlier, and are unusually high relative to prices of dairy and poultry products.

Present indications are that hog production during the coming year may exceed the large production of 1949-50 by 5 percent or more. The 1950 spring pig crop was about 3 percent larger than the crop of 1949. In June farmers indicated their intentions to increase the number of sows farrowing this fall by 5 percent. Some further increase is expected in the 1951 spring pig crop, since price relationships have continued favorable to hog producers and feed supplies are ample. Currently, hogs are being fed to a little heavier weights than in the early fall of 1949. During much of the coming year hogs probably will continue to come to market at heavier weights than a year earlier.

The 1950-51 production of beef cattle also is expected to be a little larger than in 1949-50. Beef cattle numbers are increasing, and a continued high level of grain feeding is expected. In 1949 and 1950 the number of grain-fed cattle coming to market has been well above average, reflecting high cattle prices and ample supplies of feed.

Milk production in 1951 may be about as large as in 1950. The number of dairy cows on farms is expected to remain close to the 1950 level, and dairy cows will continue to be fed liberally. Milk production per cow has been increasing in the past few years, and in 1950 it was at a record high.

The number of hens and pullets in farm flocks this coming winter and spring probably will be nearly as large as in 1949-50. On October 1 the total number of hens and pullets on farms, including pullets not yet of laying age, was only about 2 percent smaller than on that date of 1949.

The rate of lay per hen has been increasing in recent years and in 1951 it is not expected to decline from the record level of 1950. In 1950 the number of farm chickens raised was about 10 percent smaller than in 1949. Commercial broiler production this year will be the largest on record and about one-sixth above the output in 1949. The number of turkeys raised also was the highest on record this year, totaling about 44.6 million birds, slightly exceeding the previous high in 1945.

The number of horses and mules on farms is expected to continue the downward trend that has been underway since World War I. In recent years numbers have declined at the rate of about 10 percent a year, and this same trend seems probable during the coming year. The substantial reduction in work stock since before the war has made a larger part of our domestic feed supply available for the production of other classes of livestock. At the close of World War I, horses and mules consumed about one-fourth of all feed concentrates fed to livestock. By the late 1930's they were consuming only about 12 percent of the total, and in the past 2 or 3 years less than 5 percent.

Higher Feed Prices in Prospect For the 1950-51 Feeding Season

Feed prices are expected to average higher in 1950-51 than during 1949-50, but the extent to which feed prices will rise will be limited by the large supplies on hand and the sizeable stocks of feed grains held under price support. Generally higher prices are in prospect in view of: (1) Prospects for higher incomes to domestic consumers, which will be reflected back through higher prices of livestock products to increased demand for feeds; (2) increasing food requirements of our armed forces; (3) increasing production of livestock and livestock products; (4) generally higher loans on 1950 feed grains. On the other hand, the large carry-over stocks of feed grains will aid in moderating the extent to which prices will advance during the coming year. Included in this feed reserve are the sizeable stocks of feed grains owned by CCC and under loan which would become available to the market in increasing quantities, if prices should advance materially from current levels.

Prices of feed grains, which were about 20 percent higher than a year earlier at the beginning of the 1950-51 season, are expected to average somewhat higher, at least through the first half of 1951, than in the same period of 1949-50. In the last half of 1951 prospects for next year's feed crops will become a dominant factor influencing feed prices. At least the usual seasonal increase in feed grain prices is expected this winter and next spring, since a strong demand for meats and other livestock products will in turn mean a good demand for most kinds of feeds.

Corn prices advanced more than seasonally from November 1949 to July 1950, reaching the support level last summer for the first time in nearly two years. While corn prices will be seasonally weak this fall, they are expected to average somewhat higher than in the fall of 1949. In September the average price received by farmers was $1.44 per bushel, only 3 cents below the 1950 support and 28 cents per bushel higher than a year earlier.

Corn prices are expected to remain nearer the support level this fall than last. In 1949 the average price of corn dropped to $1.02 per bushel in November, 38 cents below the 1949 support level. Corn prices are expected to advance, at least seasonally, this winter and next spring, and the season average may not be much below the 1950 support level of $1.47 per bushel.

Oats and barley prices also have been higher this summer and fall than in that period of 1949, and probably will average higher in the 1950-51 feeding season than in 1949-50. Since the harvesting of the 1950 crops, prices received by farmers have averaged near or a little above the 1950 support levels, and less oats and barley have been going under price support than in 1949. Grain sorghum prices in September averaged slightly lower than a year earlier, reflecting the near-record production and the lower loan rate on the 1950 crop. Sorghum grain prices this fall are low in relation to prices of other feed grains, and probably will continue relatively lower during much of the 1950-51 feeding season.

Prices of most byproduct feeds also probably will average higher in 1950-51 than in 1949-50. At the beginning of the 1950-51 season, prices of these feeds were not greatly different from a year earlier. Prices of wheat millfeeds and other lower-protein byproduct feeds were somewhat higher than a year earlier, while high-protein feeds, notably soybean meal and fish meal, were generally lower. Larger supplies of soybean meal and some other high-protein feeds are at least partly responsible for the currently low prices. Prices of high-protein feeds in early October were much lower in relation to prices of feed grains than during 1948-49 and 1949-50. While these feeds may continue relatively low, they probably will average somewhat higher than during the past year, in view of the prospective stronger demand for feed in 1951.

Soybean meal prices, which are unusually low in relation to prices of other protein feeds this fall, probably will advance relative to prices of the other feeds in 1951. In September the price of soybean meal at Chicago was lower than cottonseed meal at Memphis for the first time since mid-1946. In the past two years soybean meal prices have averaged about $10 to $12 per ton higher than cottonseed meal. The record production of soybean meal this year may result in soybean meal prices remaining low in relation to other feeds, but it is unlikely that the current relationships will hold through the 1950-51 season.

While prices of feeds are expected to be generally higher during the coming year, livestock prices also are expected to advance, and probably will be at least as high relative to feed prices as during the past feeding season. The hog-corn ratio during 1949-50 averaged about 14.1, based on farm prices, and probably will average close to this level during 1950-51. This compared with the long-time average of about 12.0. Whole milk prices may be a little higher relative to feed prices than in 1949-50, and close to the long-time average. The price of butterfat, however, probably will continue a little below average during the coming year. Prices of eggs and poultry have been unusually low in relation to feed prices during most of the 1949-50 feeding season. While poultry and egg prices may advance from 1949-50 to 1950-51, they probably will continue below the long-time average in relation to the cost of poultry ration.

Table 11 .- Prices of feed grains and specified byproduct feeds, wholesale, September 1950 with comparisons 1/

Feed	Market	Unit	Calendar year 1945 2/	Year beginning October: Average 1937-41	Year beginning October: 1948	Year beginning October: 1949	September: 1949	September: 1950
			Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Grains								
Corn, No. 3 Yellow	Chicago	Bushel	1.17	.63	1.37	1.38	1.31	1.54
Oats, No. 3 White	Chicago	Bushel	.71	.38	.74	.81	.68	.82
Barley, No. 3	Minneapolis	Bushel	1.22	.56	1.30	1.51	1.46	1.45
Milo maize, No. 2 Yellow	Kansas City	100 pounds	3/2.30	1.07	2.36	2.18	2.12	2.15
Byproduct feeds								
Bran, standard	Minneapolis	Ton	37.75	22.10	47.55	45.50	40.75	45.25
Middlings, standard	Minneapolis	Ton	37.75	22.85	49.05	48.10	45.40	47.40
Hominy feed, white	Chicago	Ton	47.85	24.90	47.90	50.80	45.80	55.65
Soybean meal, 44 percent	Chicago	Ton	52.00	31.00	76.40	74.60	83.15	65.85
Cottonseed meal, 41 percent	Memphis	Ton	48.60	27.45	63.10	64.80	57.75	71.90
Linseed meal, 36 percent	Minneapolis	Ton	45.50	34.75	67.25	69.30	62.40	62.25
Peanut meal, 45 percent	S. E. milling points	Ton	53.00	28.50	65.50	68.30	70.00	69.95
Tankage, 60 percent, digester	Chicago	Ton	74.55	55.11	120.65	118.05	130.10	126.05
Meat scraps, 50 percent	Chicago	Ton	73.50	52.90	116.55	113.05	114.75	124.20
Fish meal, 67 percent	San Fran.	Ton	79.50	54.55	193.45	156.20	170.00	141.55
Gluten feed, 23 percent	Chicago	Ton	41.25	23.10	53.80	51.90	51.75	48.50
Distillers' dried grains	Cincinnati	Ton	41.35	29.20	68.30	63.35	67.50	50.25
Brewers' dried grains	Milwaukee	Ton	37.00	22.60	51.35	48.10	41.50	43.50
Alfalfa meal, No. 1	Kansas City	Ton	42.95	22.85	37.90	39.15	38.75	41.50
Molasses, blackstrap	New York	100 gal.	18.50	8.45	12.20	10.45	8.25	19.75
Mixed dairy feed, 16 percent	U. S. 4/	100 pounds	2.90	1.72	3.60	3.50	3.43	3.64
Laying mash	U. S. 4/	100 pounds	3.59	2.32	4.53	4.49	4.53	4.60
Scratch feed	U. S. 4/	100 pounds	3.22	1.85	4.02	3.86	3.80	4.03

1/ Yearly prices are simple averages of monthly prices.
2/ Price controls were in effect. Prices of most feeds were at the ceilings during most of 1945.
3/ 11-month average.
4/ Average price paid by farmers.

GOVERNMENT ACTIONS RELATING TO FEEDS

Price Supports on 1950 and 1951 Feed Grains

Price supports on 1950 corn in the commercial area and on oats and barley are a little higher than in 1949, while the support on sorghum grain is somewhat lower. The national average price support for corn, based on 90 percent of parity, is $1.47 per bushel, 7 cents higher than in 1949. The full 90 percent support is available to cooperating producers in the commercial corn area where acreage allotments were in effect in 1950. County loan rates in this area vary from $1.36 to $1.64 per bushel. The support level for the non-commercial area is 75 percent of the 90 percent of parity support, and varies by counties from $1.02 to $1.30 per bushel. Loans and purchase agreements are available from time of harvest through May 31, 1951. The 1950 national average price supports on oats and barley are slightly higher than in 1949, while the support price on sorghum grains is 22 cents per 100 pounds lower. In determining the price supports on these three grains, the Department of Agriculture took into consideration relative feeding value, price, demand, and other relationships among these grains and corn. The sorghum grain support is related to the corn support in the non-commercial area.

The Production and Marketing Administration recently announced that prices of corn, oats, and barley will be supported in 1951 through loans and purchase agreements. The price support on corn is mandatory for the 1951 crop at between 80 and 90 percent of parity as of the beginning of the marketing year. The actual level of supports on oats and barley will be determined in approximately the same relation to corn as under the 1950 program, taking into consideration relative feeding value. The level of supports will be announced early in 1951.

Table 12.- National average price supports on feed grains, 1947-50 1/

Grain	Unit	1947	1948	1949	1950 Price support	1950 Price support available through
		Dollars	Dollars	Dollars	Dollars	
Corn	Bushel	1.37	1.44	1.40	2/1.47	May 1951
Oats	do.	.63	.70	.69	.71	January 1951
Barley	do.	1.03	1.15	1.09	1.10	January 1951
Sorghum grains	Cwt.	2.12	2.31	2.09	1.87	January 1951

1/ Supports on all grains vary by States and counties.
2/ Support of 90 percent of parity available to cooperating producers in the commercial area. Support in non-commercial area is 75 percent of the 90 percent of parity support.

Sales Price on Feed Grains Owned by CCC

Through July 1950 the CCC had sold about 140 million bushels of feed grains acquired through the price support programs in postwar years. Corn and sorghum grain made up the bulk of these sales, which were largely for export. Prices of feed grains offered for domestic sale by CCC during 1950 generally have been set at or near the minimum levels provided for by the Agricultural Act of 1949. During October CCC- owned grains were offered for sale at terminal and local markets at the current market price, but not less than the minimum level provided for in the Act of 1949. Market prices in most areas were somewhat below the CCC sales price. In some areas, however, the market price has advanced to the sales price and substantial quantities of Government grain have been sold. Representative CCC sale prices announced for October at certain markets are as follows: Corn, No.3 Yellow, Chicago, $1.75 per bushel; oats, No.3 or better, Chicago, $.93 per bushel; barley, No.1, Minneapolis, $1.47 per bushel; and sorghum grains, No.2 or better, Kansas City, $2.66 per 100 pounds.

Feed grains may be sold for export at the current market price. Export prices in recent months have been set on the basis of the current market quotations on the date of sale, at the place of delivery, provided delivery takes place within 15 days, unless otherwise agreed upon.

In early October the CCC owned about 325 million bushels of corn, 12 million bushels of oats, 30 million bushels of barley, and about 27 million hundredweight of sorghum grains.

Authority for Price Ceilings

The Defense Production Act of 1950 gives authority to the President until June 30, 1951, to establish price ceilings for materials and services under certain conditions. The provisions of this Act that would apply to feed grain prices are as follows: "..... no ceilings shall be established for any agricultural commodity below the highest of the following prices, after adjustment for grade, location, and seasonal differentials; (1) the parity price for such commodity; or (2) the highest price received by producers during the period of May 24, 1950 to June 24, 1950." Since prices of all the feed grains during May and June of this year were materially below parity, the parity price at the time ceilings are established would determine the minimum level for establishing ceilings.

The parity price of corn, which has been increasing in recent months, was $1.63 per bushel in September, 19 cents per bushel above the average price received by farmers. The corn parity price is computed on the basis of "old parity formula" 1/ and cannot be less than the parity computed by this formula during the years 1950-53. The parity price of corn will probably continue to increase into 1951.

Transitional parity prices 2/ are the effective parity prices of oats, barley, and grain sorghums. On January 1, 1951, they will be reduced another 5 percent below the parity price computed on the basis of the "old parity

1/ Computed by multiplying the average price received by farmers for corn during the base period August 1909 to July 1914 by the current index of prices paid by farmers, including interest and taxes.

2/ Transitional parity prices are parity prices according to the "old parity formula" reduced by 5 percent for each full calendar year that has elapsed since January 1, 1949. For more detailed information on computation of parity prices of these grains, see *Agricultural Prices* July 1950, Bureau of Agricultural Economics.

formula." This reduction may largely offset anticipated increases in the old parity index, at least during the early part of 1951. Parity prices of these grains by mid-1951 may not be greatly different than at present. In September parity prices of these three grains were well above the average price received by farmers.

FEED SUPPLY OUTLOOK BY REGIONS

Farm supplies of feed grains and hay for the 1950-51 season are uniformly large over most of the country. In all regions farm supplies of feed grains are substantially above the immediate prewar level, and, except in the Corn Belt, they are larger than in 1949-50. In addition to farm supplies of feed grains, as shown in table 13, the CCC owned about 11 million tons of feed grains in early October, most of which is stored in the Corn Belt. Ample feed grain supplies this year are provided by above average production of feed grains and large carry-over stocks, particularly of corn.

Hay supplies this year are above average and larger than a year ago in nearly all areas. Supplies are better distributed this year than in either of the past two years, when hay production was short of requirements in some important feeding areas. Furthermore, pastures and ranges have been unusually good this summer and early fall over most of the country, and have provided more feed for livestock than in most other years.

North Atlantic Region

Supplies of farm-grown feed grains in the North Atlantic Region are larger than in other postwar years and substantially above the prewar level. Since before the war increasing feed grain production in this region has been accompanied by about the same rate of increase in livestock numbers, and supplies per animal unit this year are about equal to the prewar average. Ordinarily less than one-half of the feed consumed in this area is produced there. Large stocks of feed grains are available from surplus areas, and imports of oats and barley from Canada are expected to continue fairly large in 1950-51. Canadian feed wheat also may move into this region in some volume later in the 1950-51 season. While supplies of grains and byproduct feeds available for shipment to this region are again large, prices of these feeds probably will average higher than in the past two years.

The hay supply for the North Atlantic Region is 6 percent larger than last year and larger than before the war, but smaller than in other postwar years. The hay supply situation for the region as a whole is much better than a year ago, when there was a rather serious shortage of hay in some areas. Pastures have been unusually good in recent months in contrast with the poor condition of pastures in the summer and fall of 1949.

Corn Belt

Farmers in the Corn Belt will again have ample supplies of feed grains for the coming year. Farm supplies of corn and other feed grains will be substantially larger than just before the war. They are smaller than during the past two years, however, when large quantities of feed grains were placed under price support. Corn production in the North Central region is estimated at 2,285 million bushels, 294 million bushels less than last year, but nearly one-fourth above the 1937-41 average. October 1 farm stocks of corn in the region totaled 440 million bushels, 208 million bushels less than a year earlier. In addition to supplies of corn on farms, most of the 325 million bushels of corn owned by CCC is stored in this area. Increased hog production and lower quality corn in some areas of the Corn Belt probably will result in heavier utilization of feed grains during 1950-51 than in any year since the war. This probably will result in some reduction in the large stocks of corn in this area. The total supply of feed grains on farms in the East North Central region was 16 percent smaller than a year earlier and in the West North Central region about 7 percent smaller. Total supplies in the North Central region, however, including the large CCC holdings, are only a little below the big supply last year.

Hay supplies are considerably larger in the North Central region this year than last. Supplies are at a record high in relation to the number of livestock to be fed, although some hay has been damaged by rain at harvest. Hay supplies are generally ample throughout the region and are substantially larger than a year ago, when shortages occurred in areas of the eastern Corn Belt and in the Dakotas.

Southern States

Supplies of locally grown feed grains are again well above average in the Southern States. In the South Atlantic region supplies are about equal to the big supply of last year and 38 percent larger than in 1937-41, but the region still does not produce all its feed requirements. In the South Central region supplies will exceed the big supplies of last year, reflecting larger production of corn and sorghum grains. In both regions supplies are about the largest on record per grain-consuming animal unit.

Supplies of hay in the South will again be generally ample for the prospective number of livestock to be fed, although in the South Atlantic region they are about 7 percent smaller than in 1949-50. In the South Central region hay supplies are a little larger than the big supply of last year and near record in relation to the number of animal units on farms.

Western Region

Supplies of locally grown feed grains in the Western States are the largest in recent years, exceeding the big supply of last year by about 6 percent. Supplies per grain-consuming animal unit are much larger than just before the war, since a marked increase in feed grain supplies has been accompanied by only a small increase in livestock numbers. Much of the increase in feed grain supplies in this region is accounted for by the increasing production of barley, which in recent years has made up over 75 percent of the total feed grain supply. The total 1950-51 barley supply for the region is estimated at about 177 million bushels, 24 million bushels larger than in 1949.

Hay supplies are again large in the Western region and pastures and ranges have been generally good this summer and fall. The total supply of hay for the region is a little larger than a year ago and 14 percent larger than in 1937-41. Supplies are a record per roughage-consuming animal unit. Hay production this year was much larger than last year in the Pacific Coast States and Montana, while smaller crops were harvested in Utah and Colorado.

Table 13 .- Farm feed supplies: Total and per animal unit, by regions, average 1937-41, annual 1946-50

Region	Farm supplies of feed grains 1/											
	Total						Per grain-consuming animal unit 2/					
	Average 1937-41	1946	1947	1948	1949	1950 3/	Average 1937-41	1946	1947	1948	1949	1950 3/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Tons	Tons	Tons	Tons	Tons	Tons
North Atlantic	4,085	4,512	3,776	4,508	4,600	4,775	.32	.32	.27	.31	.31	.32
East North Central	34,599	40,847	31,750	44,416	47,734	39,867	.90	1.03	.83	1.11	1.14	.95
West North Central	50,269	61,467	44,881	66,154	67,773	63,100	.97	1.08	.85	1.18	1.14	1.06
South Atlantic	6,574	7,428	7,989	8,181	8,998	9,044	.50	.49	.53	.52	.55	.55
South Central	14,880	14,607	13,848	15,937	16,464	17,920	.57	.58	.56	.64	.64	.69
Western	3,710	5,002	5,086	5,608	5,752	6,090	.35	.49	.48	.51	.53	.55
United States	114,117	133,863	107,330	144,804	151,321	140,796	.75	.83	.69	.89	.90	.83
	Hay supplies 4/											
	Total						Per roughage-consuming animal unit 5/					
North Atlantic	13,476	17,127	16,983	16,289	14,314	15,137	2.57	3.26	3.28	3.15	2.75	2.91
East North Central	22,899	24,843	24,134	21,895	22,393	25,435	1.88	2.06	2.10	1.96	2.00	2.23
West North Central	27,598	33,717	33,704	32,465	33,101	37,014	1.50	1.74	1.87	1.81	1.83	2.00
South Atlantic	5,984	7,492	6,584	7,262	7,672	7,123	1.50	1.69	1.51	1.69	1.73	1.58
South Central	12,053	14,269	13,463	13,170	13,994	14,163	.77	.85	.85	.86	.89	.89
Western	20,936	23,898	23,871	23,518	22,929	23,873	1.37	1.61	1.65	1.64	1.63	1.67
United States	102,946	121,346	118,739	114,599	114,403	122,745	1.45	1.67	1.71	1.68	1.67	1.75

1/ Production of corn, oats, barley, and sorghum grains, plus farm stocks of corn on October 1, oats July 1, and barley June 1, 1937-41 and July 1, 1946 to date.

2/ Supplies per grain-consuming animal unit fed annually.

3/ Preliminary, based on indications in early October.

4/ Production plus May 1 farm stocks.

5/ Supply per roughage-consuming animal unit fed annually.

Table 14.- Production and stocks of specified byproduct feeds, August 1950 with comparisons

Item	1948-49	1949-50	1949	1950		
	October-August	October-August	August	June	July	August
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production						
Cottonseed cake and meal	2,162.5	2,308.4	94.1	93.3	81.0	104.7
Soybean cake and meal	4,048.3	4,263.5	318.9	323.2	364.0	363.7
Linseed cake and meal	616.6	617.4	74.1	60.0	78.3	54.6
Peanut cake and meal	112.2	132.7	6.0	9.6	6.5	5.4
Copra cake and meal	105.0	122.0	12.2	9.3	7.2	12.7
Corn gluten feed and meal	772.2	838.8	77.1	77.5	82.4	87.7
Brewers' dried grains	211.8	212.4	24.9	24.2	24.8	23.8
Distillers' dried grains	311.6	308.1	17.3	30.2	32.5	53.2
Wheat millfeeds	4,382.0	4,198.9	405.0	353.3	383.0	422.2
Rice millfeeds	167.3	188.0	10.5	13.7	10.6	18.1
Alfalfa meal	945.7	953.4	153.1	183.2	161.1	153.4
Fish cake and meal	160.8	180.2	29.7	26.8	33.0	35.8
Dry or powdered skim milk	9.0	9.6	.9	1.0	.9	.5
Stocks end of period						
Cottonseed cake and meal	52.8	121.2	52.8	163.4	136.0	121.2
Soybean cake and meal	20.4	49.2	20.4	66.0	50.0	49.2
Linseed cake and meal	34.9	46.1	34.9	25.6	44.9	46.1
Peanut cake and meal	.9	2.6	.9	2.4	2.6	2.6
Copra cake and meal	6.5	8.3	6.5	5.6	4.9	8.3
Brewers' dried grains	6.3	5.9	6.3	4.1	5.5	5.9
Distillers' dried grains	2.0	13.4	2.0	9.1	9.3	13.4
Alfalfa meal	161.8	182.6	161.8	113.2	145.4	182.6

Compiled as follows: Wheat millfeeds, cottonseed, soybean, linseed, and copra cakes and meals, Bureau of the Census; gluten feed and meal, brewers' and distillers' dried grains, rice millfeeds, and alfalfa meal, Production and Marketing Administration; fish cake and meal from Fish and Wildlife Service, Department of the Interior.